

**LR 2002**

**Creditor's Notices Pursuant to 11 U.S.C. § 342(f).** Creditors filing notices of preferred addresses pursuant to 11 U.S.C. §342(f) shall file such notices directly with the court's notice provider as defined in Bankruptcy Rules 9001(9) and 2002(g)(4). Section 342(f) notices filed with the court's notice provider shall be deemed filed with the court, and need not actually be filed with the court. The clerk shall publish the notice provider's name and contact information in the Appendix to the Local Rules.<sup>1</sup>

**LR 2014**

**Applications for Employment.**

- (a) **Content of Application.** An application for authorization to employ a professional under section 327 or 1103 shall include a specific recitation of the anticipated services to be rendered together with an estimate of the cost associated with each service.
- (b) **Proposed Order Authorizing Employment.** An application for authorization to employ a professional under section 327 or 1103 shall be accompanied by a proposed order which shall include:
  - (1) the proposed terms and method of calculating compensation so that reference back to the application need not be made; and
  - (2) a reasonable fee cap based on the estimates set forth in the application.
- (c) **Exceptions to Fee Cap Requirement.** Except as otherwise ordered by the Court, the fee cap requirement set forth in LR 2014(b)(2) shall not apply to general counsel for a Debtor-In-Possession under Chapter 11 or Chapter 12 of the Code nor shall the fee cap requirement apply to general counsel for an Official Committee of Unsecured Creditors under Chapter 11 of the Code.
- (d) **Motion to Increase Fee Cap.** If a professional believes that a fee cap contained within an employment order is insufficient to cover the services to be rendered, such professional shall, prior to exceeding the cap, file a written motion to increase the fee cap.
- (e) **Service of Application.** Applications for employment and ~~M~~motions to ~~i~~increase a fee caps<sup>2</sup> shall be served upon the United States Trustee, the debtor, the debtor's attorney, the attorney for any committee appointed under the Code, and any other person designated by the Court.
- (f) **Objections to Application.** Objections to applications for employment shall be filed and served within ten (10) days after the filing of the proof of service of the application on the parties required by subpart (e) of this Rule.

**LR 2016      Applications for Compensation for Services Rendered and Reimbursement of Expenses.**

- (a)    **Contents of Applications for Compensation.** All applications for Compensation shall provide all relevant information, including:
- (1)    A chronological record of time spent on a case, including the individual(s) participating and the subject matter of a meeting, letter, or conference, with each task recorded in tenths of an hour, if the fee is anticipated to exceed \$10,000 for a professional or firm, a separate chronological record shall be kept for each major task;
  - (2)    A summary of the time expended by each person for whom compensation is sought;
  - (3)    A detailed breakdown by item and date of all disbursements and expenses;
  - (4)    An explanation of the need for compensation of more than one professional attending a hearing or meeting or the need for more than one level of review of work produced, in each instance for which multiple compensation is sought;
- (b)    **Interim Compensation.** In addition to providing the information required under Bankruptcy Rule 2016 and LR 2016(a), applications for interim compensation shall include sufficient information to demonstrate that such interim allowance will not create an undue hardship on the debtor, the estate and all parties or any party<sup>3</sup> in interest.
- (c)    **Final Compensation.** Applications for final compensation shall include a summary of all fees and expenses requested whether or not those fees and expenses have been paid in whole or in part through interim compensation. A detailed itemization of these charges need not be provided if it has been provided in an application for interim compensation. Applications for final compensation may include estimated amounts for anticipated services not yet rendered.

~~**LR 2016.1 — Presumed Reasonable Fee in Chapter 13.** A fee of \$1500 or less may be allowed as an administrative expense in a chapter 13 case without a formal fee application.<sup>4</sup>~~

**LR 2070.1 Chapter 7 Trustee Expenditures.**

- (a) In a Chapter 7 case, a trustee may incur and pay necessary and proper expenses, which the trustee believes cannot await the final hearing, from property of the estate in an aggregate amount not to exceed \$1,000 in any case without prior notice to any party and without a specific order authorizing such expenditures. Said expenses shall be limited to the following types:
  - (1) Expenses relating to changing locks on premises owned by the estate;
  - (2) Storage (or rent) expenses for property of the estate;
  - (3) Insurance for property of the estate;
  - (4) Advertising sales of estate property;
  - (5) Moving expenses related to transportation of estate property;
  - (6) Expenses relating to investigation of existence or perfection of secured claims (but not including wages of persons doing such searches);
  - (7) Bank fees for obtaining copies of bank documents;
  - (8) Transcripts or court reporter fees;
  - (9) Taxes incurred by the estate, including surcharges.
- (b) The trustee may continue to pay bond premiums in an amount authorized by the U.S. Trustee in the manner previously approved by the court. The cost of the bond premium shall not be included in the \$1,000 aggregate amount allowed to be paid under this order rule.<sup>5</sup>
- (c) This order rule does not authorize payment of any wages or professional compensation. This order rule does not authorize the payment of any estate funds to the trustee or anyone employed by the trustee.
- (d)
  - (1) Notwithstanding the provisions of this order rule, any creditor or the U.S. Trustee may demand advance notice of any expenditure in any case, in which case the trustee shall give notice of such expenditure as far in advance as is reasonably practicable to the U.S. Trustee and that creditor. If, in the trustee's judgment, funds must be expended on an emergency basis to avoid damages to the estate's property or the estate, notice shall be given to the U.S. Trustee and to the creditor promptly after payment.
  - (2) The trustee shall give advance notice of any proposed expenditures to any creditor directly affected by said expenditure, including any creditor for whom the trustee may require reimbursement to the estate pursuant to 11 U.S.C. § 503(b).

- (3) If any party or the U.S. Trustee objects to such expenditure the trustee shall not incur or pay funds of the estate without a court order.
- (4) Any notice or objection under this section shall be in writing and may be served in person, by mail, by facsimile copy, or by e-mail.
- (5) Expenses in any case that exceed an aggregate of \$1,000.00 shall be paid by the trustee only upon order by the court, which may authorize conditions for payment of future expenses, after notice and opportunity to request a hearing to the U.S. Trustee, to any creditor directly affected by the payment, to counsel for the debtor (or to the debtor without counsel), and to any other parties that the court may direct.

1. **2002:** The court in this district has ordered that creditor notices under 11 U.S.C. § 342(f) should not be filed with the court, but should be filed with the court's notice provider. See, First Amended Standing Order In re Local Procedures to Implement the BAPCPA, October 31, 2005, Item 5. This rule is added to incorporate that item from the order.
2. **2014(e) :** Technical correction.
3. **2016(b),(c), and (d)(1) :** Clarification.
4. **2016.1 :** The bankruptcy judges in this district have determined that for cases filed on or after October 17, 2005, this presumed reasonable fee shall be \$2500, and the former local rule should be deleted. No formal fee application shall be required if the fee for the chapter 13 case is \$2500 or less, and there is no objection to the fee. This policy supplements Fed. R. Bankr. P. 2016 and 2017 providing for compensation for services rendered and for examination of a debtor's transactions with an attorney.

If a party in interest, including the debtor or trustee, requests that the court determine the actual reasonable fee in a particular case, or the court on its own motion decides such a determination is appropriate under the circumstances, the attorney shall submit a detailed fee application in accordance with LR 2016, and a hearing to determine the reasonable fee shall be held. The burden of proving the requested fee is reasonable shall be on the attorney.

For motions filed after October 17, 2005, the presumed reasonable fee in a chapter 7 or 13 case for an attorney filing an initial motion of a creditor for relief from the automatic stay shall be \$700, plus filing fee, which may be added to the creditor's claim if provided by the mortgage or other security agreement between the parties. If a party in interest objects to the fee, the court shall determine the amount of the claim.

5. **2070.1(b) :** Clarification.